

UNITED STATES OF AMERICA
POSTAL REGULATORY COMMISSION
WASHINGTON, DC 20268-0001

Before Commissioners:

Ruth Y. Goldway, Chairman;
Nanci E. Langley, Vice Chairman;
Mark Acton;
Tony Hammond; and
Robert G. Taub

Competitive Product Prices
Global Reseller Expedited Package Contracts 1
(MC2010-21)
Negotiated Service Agreement

Docket No. CP2013-20

NOTICE AND ORDER CONCERNING AN ADDITIONAL GLOBAL RESELLER
EXPEDITED PACKAGE CONTRACTS 1 NEGOTIATED SERVICE AGREEMENT

(Issued November 26, 2012)

I. INTRODUCTION

Background. On November 21, 2012, the Postal Service filed a notice pursuant to 39 CFR 3015.5 announcing that it has entered into an additional Global Reseller Expedited Package (GREP) contract (Contracts 1).¹ It seeks to have the instant Contract included within the existing GREP Contracts 1 product on grounds of

¹ Notice of United States Postal Service of Filing a Functionally Equivalent Global Reseller Expedited Package Negotiated Service Agreement and Application For Non-Public Treatment of Materials Filed Under Seal, November 21, 2012 (Notice).

functional equivalence to the baseline agreement filed in Docket No. CP2010-36.² *Id.* at 2-3.

II. CONTENTS OF FILING

The instant Contract. The Postal Service identifies the instant Contract as a successor to the GREP contract filed in Docket No. CP2012-21. *Id.* at 3. It states that the Docket No. CP2012-21 contract will terminate the day prior to the effective date established for the instant Contract. *Id.*

The Postal Service filed the following material in conjunction with its Notice, along with public (redacted) versions of supporting financial information:

- Attachment 1—a redacted copy of the instant contract;
- Attachment 2—a certified statement required by 39 CFR 3015.5(c)(2);
- Attachment 3—a redacted copy of Governors' Decision No. 10-1; and
- Attachment 4—an application for non-public treatment of materials filed under seal.

Functional equivalency. The Postal Service asserts that the instant Contract is substantially similar to the baseline agreement filed in Docket No. CP2010-36 because it shares similar cost and market characteristics and meets criteria in Governors' Decision No. 10-1 concerning attributable costs. *Id.* at 3-4. The Postal Service further asserts that the functional terms of the two contracts are the same and the benefits are comparable. *Id.* at 4. It states that prices offered under the contracts may differ due to postage commitments and when the agreement is signed (due to updated costing information), but asserts that these differences do not alter the functional equivalency of the contracts. *Id.* The Postal Service also identifies differences between the terms of

² See also Docket No. MC2010-21 (based on Governors' Decision No. 10-1), Order No. 445, April 22, 2010, Order Concerning Global Reseller Expedited Package Contracts Negotiated Service Agreement.

the two contracts, but asserts that these differences do not affect the fundamental service being offering or the fundamental structure of the contract.³ *Id.* at 5-7.

III. NOTICE OF PROCEEDING

The Commission establishes Docket No. CP2013-20 for consideration of matters raised by the Postal Service's Notice. Interested persons may submit comments on whether the instant contract is consistent with the requirements of 39 CFR 3015.5 and the policies of 39 U.S.C. 3632 and 3633. Comments are due no later than December 5, 2012. The public portions of this filing can be accessed via the Commission's website, <http://www.prc.gov>. Information on how to obtain access to material filed under seal appears in 39 CFR 3007.50.

The Commission appoints James F. Callow to serve as Public Representative in the captioned proceeding.

IV. ORDERING PARAGRAPHS

It is ordered:

1. The Commission establishes Docket No. CP2013-20 for consideration of matters raised by the Postal Service's Notice.
2. Comments by interested persons in this proceeding are due no later than December 5, 2012.
3. Pursuant to 39 U.S.C. 505, James F. Callow is appointed to serve as an officer of the Commission (Public Representative) to represent the interests of the general public in this proceeding.

³ Differences include numerous revisions to existing Articles and five new Articles. *Id.* at 7.

4. The Secretary shall arrange for publication of this Order in the *Federal Register*.

By the Commission.

Shoshana M. Grove
Secretary